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SUBJECT: BAHAMAS MONTHLY -- JUNE 2009

¶1. This is a monthly report on a variety of topics of interest which do not merit full reporting cables.

- IMF Recommends Increasing Revenue by 1.75 Percent
- Admission Applications for College of The Bahamas Increases by 20 Percent
- 10,000 Bahamians Apply for Unemployment Benefits
- April Tourism Numbers: Flying is Out, Cruising is In
- The Curious Case of the Missing Speedboats

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IMF Recommends Increasing  
Revenue by 1.75 Percent  
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¶2. The International Monetary Fund (IMF) recommended that the Government of The Bahamas (GCOB) adopt more aggressive fiscal reform by increasing revenue by an amount equivalent to 1.75 percent of GDP between the 2011-2012 and 2012-2013 fiscal years. The IMF recommended this step following the announcement that the current national debt level in The Bahamas is nearly 39 percent -- a level too close for comfort to the generally accepted 'danger' level of 40 percent. International agencies and Bahamians alike are worried that the increasing national debt could lead to a negative credit rating in the future.

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Admission Applications for  
College of The Bahamas  
Increase by 20 Percent  
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¶3. The College of The Bahamas (COB) reported a 20 percent increase in admission applications this year, receiving 400 more applications in 2009 than in 2008. A COB spokesperson noted that this increase is likely due to the unemployment spike in The Bahamas that has resulted from the economic recession. Many Bahamians are unable to afford sending their children to U.S. or Canadian colleges or universities, resulting in a renewed interest in COB. The COB spokesperson indicated that the majority of this year's applications are from recent high school graduates, but that a small portion are being sent from students who had been studying abroad and now need to return home to finish their education.

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10,000 Bahamians Apply for  
Unemployment Benefits  
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¶4. Minister of Labor and Social Development Dion Foulkes told local media that nearly 10,000 Bahamians have applied for the newly established unemployment benefits program since its inception in late April. Foulkes said over 7 million USD has already been disbursed to qualified registrants, representing over 19,000 checks to date. Foulkes encouraged those still in need to step forward and apply, noting that the number of unemployment applications received was smaller than anticipated.

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April Tourism Numbers: Flying  
is Out, Cruising is In

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15. New arrival numbers for April released by the Ministry of Tourism and Aviation (MOTA) show total arrivals for Nassau up by 12 percent over the year-ago period. A MOTA representative told local media the climb is largely due to an increase in sea arrivals. April numbers show there was a decrease of 0.4 percent of visitors flying into Nassau, but a 21.8 percent increase in those opting to arrive by sea. Grand Bahama, on the other hand, saw a 5.9 percent decline in total visitors, representing some 2,360 less visitors that came to the island in the same period in 2008. Overall, The Bahamas suffered a decline of 1.2 percent in visitor arrivals in the year-to-date numbers, though April arrivals saw a 4.5 percent increase compared to April 2008.

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The Curious Case of the  
Missing Speedboats  
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16. Two valuable, high powered speedboats were stolen from a marina on the island of Abaco within hours of their arrival on June 7. These are the latest in a series of recent boat thefts in The Bahamas, including the theft and return of the Prime Minister's fishing boat (which was likewise docked at an Abaco marina) in March. News of the potentially unsafe docking locations in The Bahamas spread quickly, and locals have called on the Royal Bahamas Police Force (RBPF) to take more action to ensure security at these facilities. Many in The Bahamas are worried about the ripple effect the increase in boat crime will have on the tourism sector. Boaters have already reported increased insurance rates for those choosing to dock their vessels in The Bahamas. In the meantime many marinas

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have employed their own local security forces in an effort make their establishments more secure.

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